



**COMMISSION
AGENDA MEMORANDUM**

Item No. 8b

ACTION ITEM

Date of Meeting January 9, 2024

DATE: January 2, 2024
TO: Steve Metruck, Executive Director
FROM: Eloise Olivar, AFR Senior Manager Disbursements
SUBJECT: **Claims and Obligations –December 2023**

ACTION REQUESTED

Request Port Commission approval of the Port Auditor’s payment of the salaries and claims of the Port pursuant to RCW 42.24.180 for payments issued during the period December 1 through 31, 2023 as follows:

Payment Type	Payment Reference Start Number	Payment Reference End Number	Amount
Accounts Payable Checks	951273	951694	\$11,848,100.50
Accounts Payable ACH	061299	062390	\$98,374,743.17
Accounts Payable Wire Transfers	016192	016215	\$13,410,418.86
Payroll Checks	210258	210786	\$132,780.40
Payroll ACH	1170278	1174980	\$15,832,048.14
Total Payments			\$139,598,091.07

Pursuant to RCW 42.24.180, “the Port’s legislative body” (the Commission) is required to approve in a public meeting all payments of claims within one month of issuance.

OVERSIGHT

All these payments have been previously authorized either through direct Commission action or delegation of authority to the Executive Director and through his or her staff. Detailed information on Port expenditures is provided to the Commission through comprehensive budget presentations as well as the publicly released Budget Document, which provides an even greater level of detail. The Port’s operating and capital budget is approved by resolution in December for the coming fiscal year, and the Commission also approves the Salary and Benefit Resolution around the same time to authorize pay and benefit programs. Notwithstanding the Port’s budget approval, individual capital projects and contracts exceeding certain dollar thresholds are also subsequently brought before the Commission for specific authorization prior to commencement of the project or contract—if they are below the thresholds the Executive Director is delegated authority to approve them. Expenditures are monitored against budgets monthly by management and reported comprehensively to the Commission quarterly.

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Effective internal controls over all Port procurement, contracting and disbursements are also in place to ensure proper central oversight, delegation of authority, separation of duties, payment approval and documentation, and signed perjury statement certifications for all payments. Port disbursements are also regularly monitored against spending authorizations. All payment transactions and internal controls are subject to periodic Port internal audits and annual external audits conducted by both the State Auditor’s Office and the Port’s independent auditors.

For the month of December 2023, over \$123,633,262.53 in payments were made to nearly 926 vendors, comprised of 2,616 invoices and over 10,942 accounting expense transactions. About 94 percent of the accounts payable payments made in the month fall into the Construction, Employee Benefits, Contracted Services, Payroll Taxes, Janitorial Services, Legal, Software, Environmental Remediation, Sales Taxes, and Election Expenses. Net payroll expense for the month of December was \$15,964,828.54.

Top 10 Payment Category Summary:

Category	Payment Amount
Construction	79,237,067.31
Employee Benefits	11,759,643.58
Contracted Services	7,112,604.51
Payroll Taxes	5,851,889.20
Janitorial Services	2,139,484.88
Legal	2,117,891.39
Software	2,041,050.36
Environmental Remediation	2,007,673.88
Sales Taxes	1,815,440.92
Election Expenses	1,745,670.14
Other Categories Total:	7,804,846.36
Net Payroll	15,964,828.54
Total Payments	139,598,091.07

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Appropriate and effective internal controls are in place to ensure that the above obligations were processed in accordance with Port of Seattle procurement/payment policies and delegation of authority.



Lisa Lam/Port Auditor

At a meeting of the Port Commission held on January 09, 2024, it is hereby moved that, pursuant to RCW 42.24.180, the Port Commission approves the Port Auditor’s payment of the above salaries and claims of the Port:

Port Commission